

**IDAHO STATE DEPARTMENT OF
AGRICULTURE
DAIRY MOU REPORT
APRIL 23, 2003**

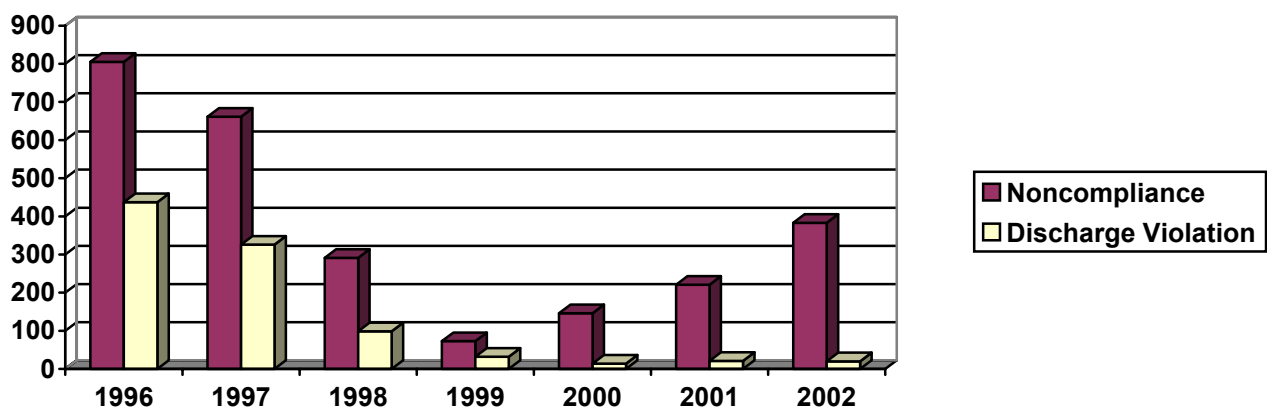
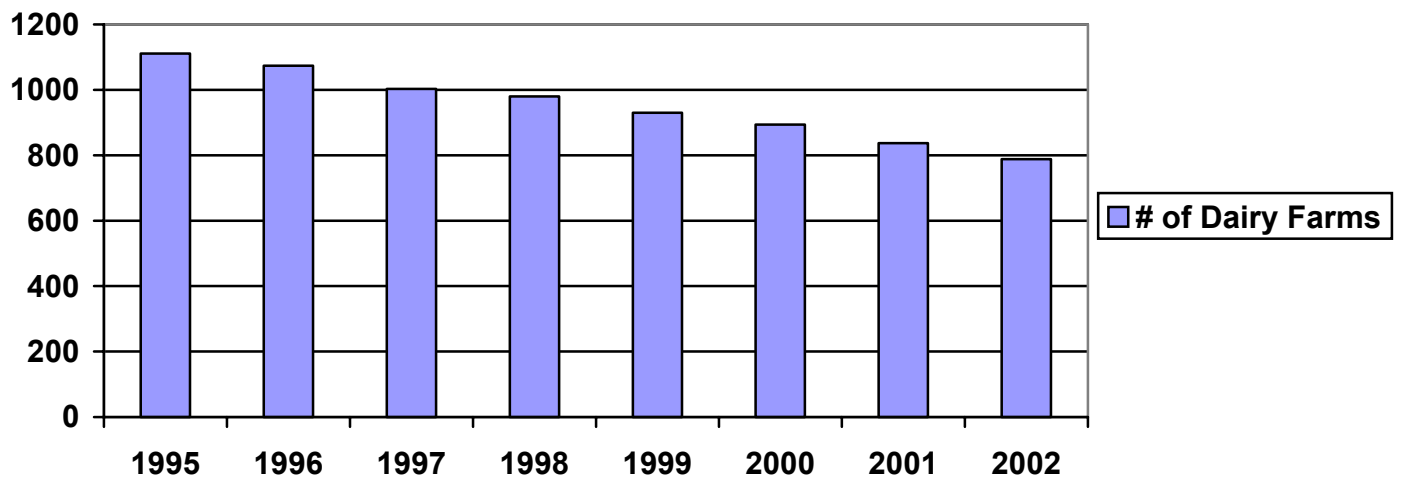
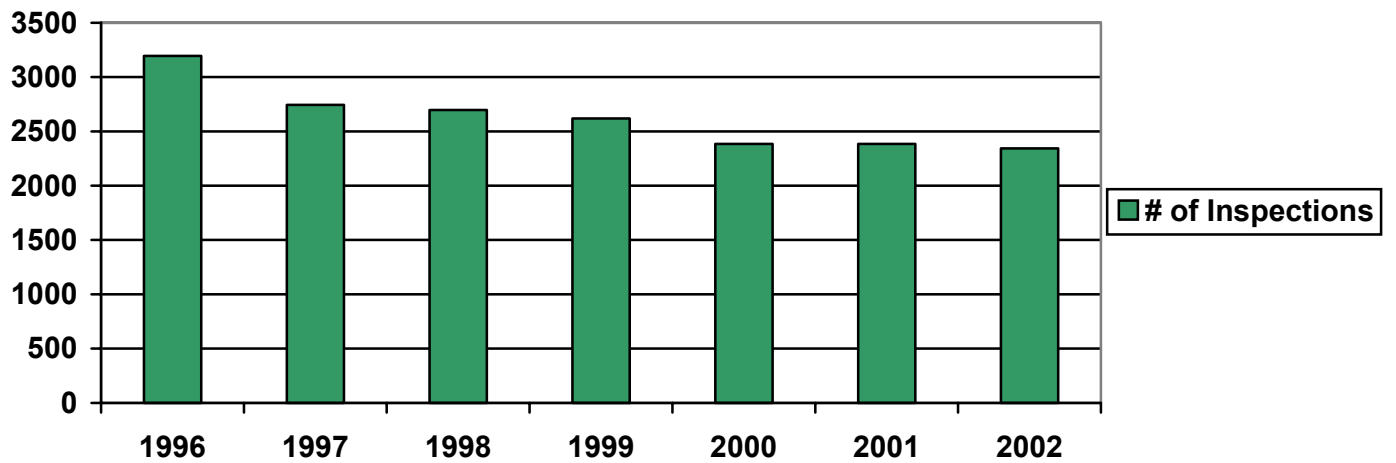
At the end of 2002, Idaho had 788 dairy farms - a net loss of 49 dairies from 2001. (37 net loss for 2000). Average herd size increased from 450 mature animals per farm in 2001 to 495 in 2002. Total milk production was over 8.15 billion pounds up 5% from 2001. Average milk price was \$11.30 per hundred weight down from \$13.50 in 2001. Farm gate receipts were down to 922 million down from over 1 billion in 2001. The Department estimates the 2003 milk production will increase approximately 3% over 2002.

YEAR	NUMBER OF FARMS	POUNDS OF MILK (BILLIONS OF LBS.)	MATURE DAIRY COWS (IN THOUSANDS)	AVERAGE HERD SIZE
1991	1952	2.87	178	91
1992	1825	3.09	183	100
1993	1248	3.18	189	151
1994	1217	3.71	208	171
1995	1179	4.17	232	197
1996	1150	4.7	256	223
1997	1074	5.15	272	253
1998	980	5.7	301	307
1999	930	6.453	332	357
2000	894	7.189	354	395
2001	837	7.757	377	450
2002	788	8.155	390	495
Statistics from ISDA & USDA Statistical Reporting				

WASTE INSPECTION DATA

During the seven-year history of the MOU, 1996 through 2002, ISDA conducted 18,367 dairy farm waste inspections. A total of 2,580 noncompliance violations and 949 discharge violations were issued.

	1996	1997	1998	1999	2000	2001	2002
Non-compliance	805	661	291	73	146	221	383
Discharge	437	326	99	32	14	21	20
Total Inspections	3194	2745	2697	2619	2385	2385	2343



During 2002 the number of noncompliance violations increased to 383 violations and discharge violations (20) remained about the same as 2001. In 2002, ISDA cited 21 dairy farms resulting in civil penalties of \$147,608.46 for violations of the Rules Governing Dairy Waste. All but one of ISDA's dairy waste violations has been resolved through a settlement meeting process. The process is summarized through a Stipulation, Agreement and Consent Order signed by the violator and the ISDA director.

At last year's MOU review ISDA reported there would likely be an increase of noncompliance situations on Idaho dairy farms in 2002 as the nutrient management plans (NMP) and regulatory enforcement of NMP's were initiated. Nutrient Management noncompliance issues did have a significant impact on the industry. ISDA continued the process of "ground truthing" the plans to determine if the plans were accurate. Internal reviews and "ground truthing" the NMP's indicated there was a lack of adequate liquid storage capacity on many facilities. This created a substantial increase in noncompliance situations. Several facilities could not comply with the new NMP requirements because of storage capacity. Significant construction modifications have been and will be made to these operations. Other significant noncompliance problems can be attributed to the NMP requirements for liquid land application time frames, and failure to appropriately manage waste containment systems in preparation for the winter period.

NUTRIENT MANAGEMENT

ISDA continues to hone the NMP program. The primary issues include:

1. Plans written by many private certified planners or planners trying to obtain certification that have been returned to planners by ISDA for modification or correction. Approximately 12% of plans paid by dairymen from private certified planners have not been returned to ISDA. (The planners have left the area, not taken the time to amend plans or appear to have no interest in making corrections.)
2. Format changes. The One Plan is now a viable tool in the development of NMP's. There should be more consistency in NMP training, development and approval.
3. Winter application of slurry, solids, and effluent. Scientific review to establish parameters for land application of solids/slurry needs to be completed.
4. Producers need to understand it is their responsibility to update NMP's when changes in their operation warrant, i.e. – new 3rd party exportation, expansion of lot, animals.
5. Producer soil sampling requirements.
6. ISDA soil sampling.
7. Education, education, education.

IDAHO DAIRY INITIATIVE AWARD

As reported last year, the Idaho Dairy Initiative was a finalist in the 2001 Harvard University John F. Kennedy School of Government award. The initiative was awarded \$20,000.00 to support the Idaho program. The signatory parties have developed and distributed brochures about the initiative and have recently released tapes and CD's on the program.

CAFO SITING

The County CAFO Siting Team conducts "suitability determinations" on proposed new and expanding livestock operations throughout the State of Idaho. The team consists of technical representatives from

IDWR, IDEQ and ISDA. Technical backgrounds include environmental engineering and hydro geologists.

The team primarily determines the suitability of a site based on soil, groundwater, surface water and facility management factors. Each county has the right to request additional information if they ask for it to be included in the CAFO Siting Team report. During the early part of 2003, one county in particular has requested air quality to also be included in the study, which is being considered.

Additionally, the team continues to evolve how it operates. For example, the letters going to the counties are becoming more documented and more specific. Instead of writing general comments and a risk assessment, the letter now states the factors included in the review as well as an explanation of what it all means. The team is also trying to ensure that all relevant information is considered. The team relies on the information to come from the county (the county typically receives it from the producer). For example, one study conducted by DEQ in the Magic Valley area was not included in one particular CAFO Siting. It was unaware to the team that such a study existed. In the future, the team hopes to eliminate such circumstances.

The CAFO Siting Team is providing a good service to the counties that request the team, but ultimately it is still only a recommendation. How the information is utilized in the permitting process, is at the county's discretion.

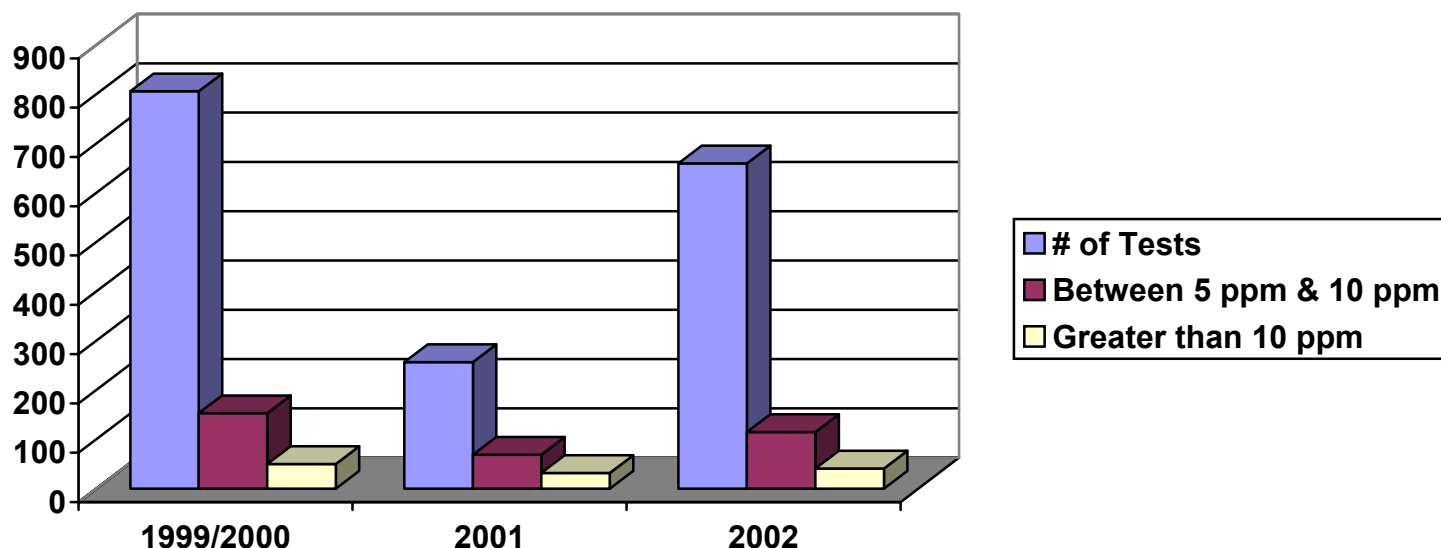
The site advisory team conducted 12 site evaluations as of April 2002, (2002 MOU Report). Since April 2002, 11 CAFO Siting Team evaluations have been performed. Six were dairies; two new proposed dairies and five expansions and 5 feedlots; 3 new proposed feedlots and 2 expansions. Of the feedlots, two were dairy heifer replacement facilities.

May 2002	Feedlot: Dairy Heifer
June 2002	Feedlot
July 2002	Dairy Expansion
July 2002	Dairy Expansion
Aug. 2002	Dairy Expansion
Sept 2002	Dairy Expansion
Dec. 2002	Dairy Expansion
Jan. 2003	Dairy
Jan. 2003	Dairy
Jan. 2003	Feedlot
Jan. 2003	Feedlot Expansion
April 2003	Feedlot Expansion: Dairy Heifer

WATER QUALITY TESTING

In July 1999, ISDA initiated a program to test dairy farm water supplies for nitrate. All dairy farms except those facilities on municipal water systems were tested. All facilities that tested 5 ppm or higher were retested utilizing nitrogen isotope testing protocols.

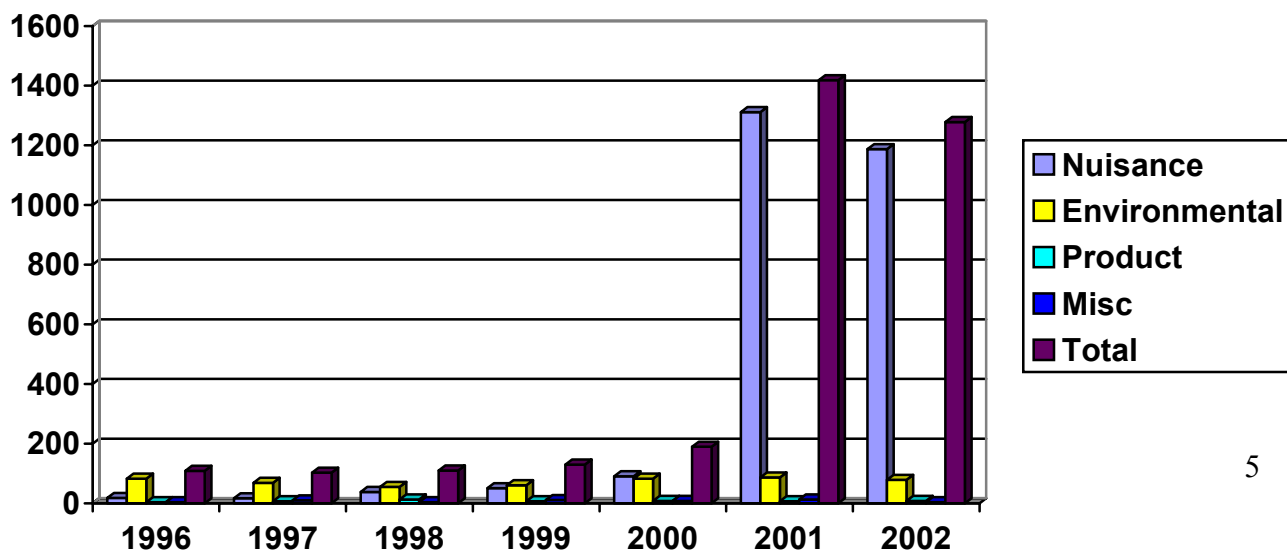
In 2002 the Dairy Bureau conducted 660 nitrate well water tests on Idaho dairies. Data from these tests are shared with ISDA water quality staff and other agencies. The Bureau plans to test all non-municipal dairy wells in 2003. Further information relating to ground water testing is available on our website at www.agri.state.id.us /Divisions programs / Ag Resources / Water Quality Program /Reports.



ISDA DAIRY RELATED COMPLAINTS

During 2002 the Dairy Bureau received 1,278 complaints:

- 1,187 nuisance
- 79 environmental
- 8 product
- 4 miscellaneous



SUMMARY

GOT PROGRESS?

The 2002 year may be best summarized as progress. The waste water storage year started off somewhat different than previous years. There was an early hard freeze, followed by substantial snow fall and then milder temperatures and rain. Many waste systems had not been adequately prepared for the winter months. Consequently, land application of effluent outside the parameters established in producer's Nutrient Management Plans (NMP) was necessary to prevent compromising waste ponds. In addition, late application of solids and failure to incorporate these solids caused significant problems. By the spring of 2002 ponds were full. The EPA "flyover" in late March presented a fair assessment of pond management. Producers appeared to have taken their experiences from the 2001/2002 winter season to heart. We witnessed significant expansion of existing systems and improved preparation of waste systems (primarily removal of solids for capacity) for the 2002/2003 winter.

Producer awareness of the NMP requirements continues to improve. However, there will be significant land application modifications during the upcoming years due to the NMP phosphorous standard and traditional land application history.

ISDA lost two engineers in 2002. Travis Kator and Jeni Beddoes contributed tremendously to the development and management of a viable waste management program. Their expertise and customer service will be hard to duplicate. ISDA & IDA also lost tremendous assets with the retirement of Dean Falk and Lewis Eilers. These individuals poured heart and soul into finding common sense, technically credible and economically viable solutions to complex dairy waste issues.

There is new blood at the U of I with the addition of Dr. Ron Sheffield and new blood at the Idaho Dairymen's Association with the addition of Bob Naerebout. We have already experienced positive effective leadership with the "new guys".

Other issues facing the dairy industry will have a profound effect on the continued success of the MOU. Odor, air quality, pathogens, and depressed milk prices will be integral components as the industry continues to make progress. The marriage with these issues into existing programs will be the key factors for industry survival and continued progress.

Respectfully Submitted,

Marv Patten, Bureau Chief